GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

APIIC Limited – Permission to APIIC Limited to handover Acs.370.39 cts of Govt. land (UDL) to M/s. Jairaj Ispath Ltd., for the establishment of Integrated Steel Plant at Guttapadu (V), Orvakal (M), Kurnool District in Phase-1– Accorded – Orders - Issued.

==========

INDUSTRIES AND COMMERCE (INFRA) DEPARTMENT

G.O.Ms.No.141 Date:25.10.2016

Read:

From the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada Lr.No.42416/APIIC/JAIRAJ/ORVAKAL/2014-15, dt.15.10.2016.

****

ORDER:

In the reference read above, the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada has submitted proposal for according permission to APIIC Limited to handover Acs.370.39 cts of Govt. land (UDL) to M/s.Jairaj Ispath Ltd., for the establishment of Integrated Steel Plant at Guttapadu (V), Orvakal (M), Kurnool District in Phase-1 and also to issue necessary orders to District Collector, Kurnool to take necessary steps to resume the assigned land to an extent of Acs.46.57 cts and to take steps to acquire Patta Land of Acs.4.42cts which is located adjacent to the block.

2. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada has stated that Govt. vide GO.Ms.No.126, Ind & Com (P&I) Dept., dt.04.10.2016 have extended the following incentives/benefits to M/s.Jai Raj Ispath Limited to their proposed integrated steel plant with a capacity of 2.20 MTPA in 3 phases at Orvakal Mega Industrial Hub in Kurnool District of Andhra Pradesh.

(i) To provide Government land for the 1st phase of the project in Orvakal Mega Industrial Hub in Kurnool district @ Rs.3.5 Lakhs per acre.
(ii) 600 acres of land required for the 2nd and 3rd phase will be reserved for 5 years, subject to payment of requisite processing fee and cost as per APIIC land allotment policy.
(iii) Reimbursement of 100 % NET VAT & CST for a period of (7) years from the date of commencement of commercial production or up to realization of 100% fixed capital investment, whichever is earlier.
(iv) Reimbursement of one time land conversion cost from Agriculture to Industrial use.
(v) 50% subsidy for sustainable green measures as specified in the IDP 2015-20 Policy with ceiling of INR 50 Crore.
(vi) All other incentives as per IDP 2015-20 Policy.

3. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada Limited has further stated that Government have advised to the VC & MD, APIIC to prepare master plan for development of Industrial hub in 9455.41 Acres left with APIIC, after deducting the land required by Mines Department. It is also instructed to plan common infrastructure like roads, power supply, water supply from the nearby water resources, railway siding duly including the Orvakal Mega Industrial Hub as a Node in the Chennai- Bangalore Industrial Corridor (CBIC). Thus, the entire capex cost burden is not to be passed to the units in the Industrial Hub. In their Lr.dt.05.10.2016, M/s.Jai Raj Ispath Limited has requested for allotment of total land of 400 Acres in the proposed allotment in phase 1 to start further activities on ground level and also 600 acres shall be reserved for phase – II.

4. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada has stated that as informed by the Z.M., APIIC, Kurnool the Company has requested the VC & MD, APIIC to allot Acs.370.39 cts (Acs.218.75 cts + Acs.151.64 cts = Acs.370.39 cts) in phase–I and the issuing Provisional allotment of Acs.370.39 cts UDL Government Land on outright sale basis only in phase – I is situated at Guttapadu (V), Orvakal (M) Kurnool District to the Company against Acs.400.00 cts. Since the possession of the balance assigned land of Acs.46.57 cts and Patta land of Acs.4.42 cts is not with APIIC, for which APIIC filed requisition proposals and land acquisition is under process. Soon after getting possession of the balance land which shall also allot to the Company. Further, after getting possession of Assigned land and Patta land situated in the midst of the remaining lands to make compact of Acs.600.00 cts which is required for Phase –II & III to the Company, shall be reserved by APIIC for 5 years as mentioned in the G.O.Ms.No.126, Ind & Com (P&I) Dept., dt.04.10.2016 for which APIIC have also filed requisition proposals and land acquisition is under process.

(P.T.O.)

5. The Zonal Manager, APIIC, Kurnool has made draft Provisional Allotment proceeding for the allotment of land for the extent of Acs.370.39 cts at Guttapadu (V), Orvakal (M) Kurnool District on outright sale basis "as is where is basis" to M/s.Jai Raj Ispath Limited for the phase –I of the project @ Rs.3.50 Lakhs per acre for establishment of the Integrated Steel Plant in the following tentative land cost as per the Allotment Regulations, 2015 of APIIC:

1. The tentative land cost for the land allotted is **Rs.3.50 lakhs per Acre**. The total Land cost of the UDL Land measuring of Acs. 370.39 in Guttapadu (V), Orvakal (M), Kurnool District, works out to Rs.12,96,36,500/- (Rupees Twelve Crores Ninty Six Lakhs, thirty six thousands five hundred only). This amount of Rs.12,96,36,500 /- should be paid by M/s.Jai Raj Ispath Ltd., within 90 days from the date of receipt of this Provisional Allotment Order.

2. Allottee should pay the Process Fee of Rs.43,33,537 /- (Rupees Forty three Lakhs thirty three thousands five hundred and thirty seven only) and Service Tax on Process fee @ 15.00% (including swacch Bharat Cess @ 0.5% and Krishi Kalyan Cess @ 0.5 %) of Rs. 6,50,031/- (Rupees Six Lakhs Fifty Thousand and thirty one only) within 90 days from the date of receipt of this Provisional allotment order.

6. In the light of the above, the Zonal Manager, APIIC, Kurnool has requested to accord permission to issue Provisional Allotment of UDL Government land to an extent Acs. 370.39 cts at Guttapadu (V), Orvakal (M) Kurnool District on outright sale basis "as is where is basis" to M/s.Jai Raj Ispath Limited for the phase–I of the project @ Rs.3.50 Lakhs per acre for establishment of the Integrated Steel Plant.

7. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada has therefore requested the Govt. (i) to accord permission to handover Acs.370.39cts of Govt. land (UDL) to M/s.Jairaj Ispath Ltd., for the establishment of Integrated Steel Plant at Guttapadu (V), Orvakal (M), Kurnool District in Phase-1 and (ii) to issue necessary orders to the District Collector, Kurnool to take necessary steps to resume the assigned land to an extent of Acs.46.57cts and to take steps to acquire Patta Land of Acs.4.42cts which is located adjacent to the block.

8. Government, after careful examination of the proposal of the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada, hereby accord permission to APIIC to handover Acs.370.39 cts of Govt. land (UDL) to M/s.Jairaj Ispath Ltd., for the establishment of Integrated Steel Plant at Guttapadu (V), Orvakal (M), Kurnool District in Phase-1.

9. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited, Vijayawada shall take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP.

To
The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., H.No.12B, 59A-8-12B, Guru Nanak Colony Road, Teacher's Colony, Vijayawada-520008.

Copy to:

The Director of Industries, Government of A.P., Hyderabad.
The G.A. (Cabinet) Department, A.P. Secretariat, Amaravathi, Velagapudi (V), Thullur (M), Guntur District. (with reference to U.O.No.776/2016, dt.21.10.2016.)
The P.S. to Principal Secretary to C.M. (GSP), A.P. Secretariat, Amaravathi, Velagapudi (V), Thullur (M), Guntur DistricT.
The P.S.to Secretary to Government & CIP, A.P. Secretariat, Amaravathi, Velagapudi (V), Thullur (M), Guntur District.
SF/SC.

//FORWARDED BY: ORDER//

SECTION OFFICER